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BRIDGEWATER, NEW JERSEY 08807
(908) 218-1600

FAX: { 908-218-0804
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DN82 71.410-1442

(Also DN82 71.107b)

March 31, 1992

Mr. Alvin Lai
Standards Committee T1 Telecommunications
1200 G Street N.W.
Suite 500
Washington, DC 20005

RECEIVED

APR 06 1992

ECSA

*DN82 71.410-1442
(71.107b)
and DN82 71.107b*

Dear Mr. Lai:

This letter is a follow-up to our recent conversation regarding ANSI Standard T1.410. Integrated Network Corporation (INC) is a patent holder in the area of 19.2 kbps digital data transmission. As we discussed, the T1.410 standard may encompass patent rights of INC. I understand T1.410 will include the standard footnote providing notice to this effect. I have attached a copy of an earlier letter to ANSI with regard to the companion standard titled, "Addendum T1.107b (Synchronous Digital Data)" drafted by the T1X1 Committee. INC believes the attached information will satisfy the requirements of the ANSI patent policy for these standards dealing with 19.2 kbps transmission.

Please feel free to contact me if there are any questions. I can be reached at (908) 218-1600.

Sincerely,

Frederick E. Weber
Assistant Vice President
Systems Engineering

FEW/mjz
attachment



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ANSI T1.107b-1991

May 20, 1991

ANSI
Standards Committee T1 Telecommunications
5430 Grosvenor Lane, Suite 200
Bethesda, Maryland 20814

RE: Statement From Patent Holder

Dear Sirs:

Pursuant to ANST's patent policy, Integrated Network Corporation (herein "INC") hereby submits its statement regarding the proposed adoption of an ANSI standard in Letter Ballot 250 that may encompass patent rights of INC. In particular, INC is the holder of United States Patent No. 4,862,480 issued August 29, 1989 for Digital Data Transmissions at the 19.2 KB/S Data Rate. ✓

In conforming to the proposed ANSI standard titled "Addendum T1.107b (Synchronous Digital Data)", it appears that technology encompassing inventions covered by the above-identified patent of INC may be utilized. Thus, pursuant to ANST's patent policy, INC hereby provides assurance that a license will be available to all applicants under reasonable terms and conditions that are demonstrably free of unfair discrimination.

INC will make a license available to such applicant in the form of the agreement submitted herewith (Attachment). The royalty rate will be determined in good faith, based upon the projection by INC of the potential sales of the Licensee. INC presently envisions that all such Licensees will pay a one-time, up-front royalty. At present six independent Licensees have signed onto agreements in this form. On an individual basis, INC would also consider a request of any Licensee for other royalty arrangements, provided no discrimination would occur with the present Licensees under the patent rights.

INC believes that this statement will satisfy the requirements of the ANSI patent policy and if there is any question on this matter, INC respectfully requests that the undersigned be contacted at (908) 231-8134 to discuss any outstanding issues.

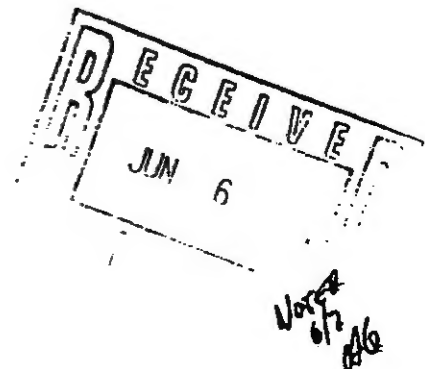
Very truly yours,

Integrated Network Corporation

By: *Donald C. Bush*

Donald C. Bush
Director Sales Operations

Attachment



NONEXCLUSIVE LICENSE AGREEMENT

AGREEMENT made effective _____ between Integrated Network Corporation, a New Jersey corporation (hereinafter called "INC") and a _____ corporation (hereinafter the "Licensee").

WHEREAS, INC is the owner of United States Patent No. 4,862,480 issued August 29, 1989 (hereinafter the "Patent") relating to digital telecommunications systems (hereinafter the "Systems").

IT IS THEREFORE AGREED:

1. **License:** INC hereby grants to the Licensee a nonexclusive worldwide, paid up license to make use and sell telecommunication modules (hereafter the "Products", defined below) that are in the Systems under all claims of any of the Licensed Patents (defined below).
2. **Definitions:**
 - 2.1 "Products shall mean any products, equipment, systems, devices, methods, or processes covered by any claim of any of the Licensed Patents.
 - 2.2 "Licensed Patents" shall mean any patent, owned or controlled by INC, which issues based upon the disclosure in the Patent or any continuation, or any divisional, or any reissue, or any reexamination certificate thereof, or any improvements thereto specifically relating to 19.2 Kbps digital telecommunications systems, first conceived or reduced to practice prior to January 1, 1990 by INC or its employees, and shall not include any other patents of INC.
3. **Documentation:** Promptly after execution of this Agreement and payment of the initial payment provided in paragraph 4 below, INC shall supply to Licensee sufficient documentation which would enable reasonably competent technical personnel to understand the principles of formatting data signals for transmission at 19.2 Kbps over existing communication facilities and to be compatible with INC-made equipment. Any additional information or training reasonably required by Licensee to implement 19.2 Kbps formatting will be provided by INC on an hourly charge basis of \$100.00 per hour. INC accepts no responsibility with respect to such information and disclaims any, and all, liability in connection therewith, except, however, INC represents and warrants that none of the information provided is owned by another so that use thereof by the Licensee would create a liability to a third party.
4. **Payment:** A one-time non-refundable, fully paid-up license charge of _____ shall be paid by Licensee upon execution of this Agreement in consideration of the grant of the license and the documentation to be supplied.

5. Grant Back: At INC's option, Licensee will grant to INC a license under any Licensee's patents which are first conceived or reduced to practice prior to January 1, 1990, which are specifically related to 19.2 Kbps signal formatting (and shall not include any other patents of Licensee), under the same terms and conditions as the present license from INC to Licensee.
6. Credit: INC shall be given appropriate credit in Technical Practices for covered products, by footnote reference. Such references to INC shall be in the form consistent with other footnote references contained within the effected Technical Practices.
7. Term: This Agreement shall continue during the pendency of the Application and the full term of any Licensed Patents.
8. Construction: This Agreement embodies the entire understanding between the parties and shall be deemed to be a New Jersey contract subject to interpretation in accordance with the laws of the State of New Jersey.
9. Assignment: This Agreement shall be binding upon and inure to the benefit of the successors and assigns of INC and shall be binding upon the Licensee, it's successors and assigns. Licensee may not assign it's rights under this Agreement, unless such Assignment is in conjunction with the sale, merger, or transfer of substantially all of the assets of the business of the Company to which the license relates.

IN WITNESS WHEREOF, the parties with intent to be legally bound have executed this Agreement in duplicate (each copy deemed original) to be effective as of the date set forth above.

Date: _____

Witness: _____

INTEGRATED NETWORK CORPORATION

By: _____

Name: _____

Title: _____

Date: _____

Witness: _____

By: _____

Name: _____

Title: _____